



Benefits Summary for Separating Employees

(Full Service)

This brochure applies to employees who receive full services from the Benefits and Entitlements Service Team (BEST) and are separating from Federal service for any reason *except* retirement, transfer to another Federal agency, or receipt of workers compensation benefits. Not sure if you receive full or limited services? Read our article "Full Versus Limited Services - What Does It Mean?" located on the BEST homepage.

FEDERAL EMPLOYEES' HEALTH BENEFITS (FEHB)

What happens to my health insurance when I separate? Your FEHB coverage will terminate effective the last day of the pay period in which you separate. You then have a 31-day temporary extension of coverage during which the insurance continues at no cost to you. During the 31-day period, you may apply to convert to a nongroup contract or apply for temporary continuation of coverage (TCC).

How do I convert to a nongroup contract? You must write to your health plan, within 31 days of the termination of your health insurance coverage, and request information on converting to a nongroup contract. The plan will provide you with an application for conversion, and information on benefits and costs. Additional information on the conversion process may be found in Part B on the reverse side of Standard Form 2810 (Notice of Change in Health Benefits). Your local Civilian Personnel Flight (CPF) will provide you with SF 2810.

Under a nongroup contract, will my level of coverage change? The benefits offered by the nongroup contract will most likely be different in both the level of coverage and cost. It is important you closely review the benefits and cost data your health plan will provide.

If I convert to a nongroup contract, may I later apply for Temporary Continuation of Coverage (TCC)?
No. By the time the conversion process is completed, the time limit for applying for TCC will have passed.

What is Temporary Continuation of Coverage (TCC)? TCC allows you to continue the same level of health benefits coverage enjoyed while employed. The TCC family enrollment covers the same family members as were covered under your plan while employed. Enrollment under TCC is limited to a maximum of 18 months and you will pay both the employee and government shares of the premium, plus an additional 2% administrative fee.

Am I eligible for TCC regardless of the reason for separation from employment? You are not entitled to TCC if your separation from Federal service is involuntary due to gross misconduct. Your local CPF will determine if conduct that leads to an involuntary separation is "gross" misconduct.

Is there a time limit for applying for TCC? You must apply for TCC within 60 days after loss of coverage, or within 60 days from the date you are notified of your eligibility to elect TCC, whichever is later. Notification includes, but is not limited to, your receipt of the SF 50 (Notification of Personnel Action) documenting your separation from employment.

May I change health plans upon applying TCC? Yes, you may!

How do I apply for TCC? First, review our brochure titled "Temporary Continuation of Health Benefits Coverage" located on the BEST web site at <http://www.afpc.randolph.af.mil/dpc/BEST/sep-emp-full.htm>. The brochure contains a form called "Request for TCC Coverage" which you will need to print and fill out as part of the application process. Second, review RI 70-5, "Guide to FEHB Plans for TCC and Former Spouse Enrollees," on the OPM website at <http://www.opm.gov/insure/health/index.asp>, to assist in selecting a health plan. You may stay in your current health plan, or select another. Last, send the "Request for TCC Coverage," a completed SF 2809 (Health Benefits Election Form), and applicable supporting documentation to our office at the address below. Upon receipt, we will review and forward your application to the National Finance Center (NFC) for processing. The NFC will mail you a package outlining the procedures for collecting premiums for the FEHB plan you have chosen.

When is enrollment under TCC effective? Your enrollment under TCC will be effective at the end of the 31-day temporary extension of coverage. Premiums will also begin that date.

Is there a way to continue health coverage when TCC expires after 18 months? When TCC expires, you will be given another 31-day extension of coverage in the same enrollment category, at no cost. During this 31-day period, you may apply to convert to a nongroup contract.

If I cancel my coverage under TCC, may I convert to a nongroup contract? No. Cancellation of coverage prior to expiration at 18 months results in a loss of conversion privilege.

FEDERAL EMPLOYEES' GROUP LIFE INSURANCE (FEGLI)

What happens to my life insurance when I separate? Your life insurance automatically terminates effective with your separation from Federal employment. You then have a 31-day extension of coverage during which coverage will continue at no cost to you. During the 31-day period, you may apply for conversion to an individual policy.

How much of my life insurance coverage may I convert? You may convert all or any part of your Basic and Optional insurance to an individual policy. However, if you assigned your insurance, only your assignee may apply for conversion. Also, you may not convert the family option if you no longer have any eligible family members.

What will a policy purchased under the conversion privilege cost? The purchase of a policy is a private business transaction between you and the insurance company. The cost is determined by the insurance company and is based on your age and class of risk.

How do I apply to convert to an individual policy? Your local CPF will provide you with SF 2819 (Notice of Conversion Privilege). The SF 2819 represents notice of your loss of group life insurance coverage and the right to convert. In addition, you must call BEST and request SF 2821 (Agency Certification of Insurance Status). After reading Part B, complete Part C and forward the SF 2819 to OFEGLI at **P. O. Box 2627, Jersey City NJ 07303-2627**. (Please note--this is a new address. Do not use the address on the SF 2819.) Be sure to attach the original (Part 1) SF 2821 to the SF 2819 when mailing to OFEGLI. However, if you have not received SF 2821 from BEST when you are ready to mail the SF 2819, *do not delay - send it anyway while you await the SF 2821*.

Is there a time limit on applying for conversion? Yes. Your request for conversion must be postmarked within 31 days after the date of your separation or within 31 days of receipt of the SF 2819, whichever is later. If you do not receive SF 2819 on time or you are unable to request conversion on time due to reasons beyond your control, you can request a belated conversion by writing to OFEGLI at the above address. The request for belated conversion must be mailed within six months after the date you first became eligible to convert and must show that you were not notified of the loss of coverage and the right to convert and were not otherwise aware of it, *or* you weren't able to convert because of reasons beyond your control. If six months or more have passed since the date you first became eligible to convert, OFEGLI cannot accept a request for conversion.

May I "port" my Option B coverage? No. "Portability," a 3-year demonstration project, expired 24 Apr 02. As a result, porting Option B coverage is no longer an available alternative.

Where may I find additional information? The OPM web site is a good source of additional information. We recommend you review the FEGLI Handbook at <http://www.opm.gov/insure/life/handbook/term1.htm> and the FEGLI Frequently Asked Questions at <http://www.opm.gov/insure/life/FAQs/FAQs-6.htm>.

THRIFT SAVINGS PLAN (TSP)

What happens to my TSP account on separation from employment? Upon separation, you have several options for handling your TSP account. (If you are CSRS and did not contribute to TSP, you will not have a TSP account). You may leave your money in TSP; transfer all or part of your TSP balance into a Individual Retirement Account (IRA) or other eligible retirement plan; receive your TSP account balance in a lump sum

payment; receive your TSP account balance in equal monthly installments; purchase a life annuity through TSP, if you have at least \$3500 in your account; or, if you also have a uniformed services TSP account, you may transfer your civilian TSP account into the uniformed services account.

How do I apply to transfer my civilian TSP account into my uniformed services TSP account? Complete Form TSP-65 and submit to the TSP Service Office. Form TSP-65 may be obtained from the TSP web site at www.tsp.gov or from the TSP Service Office (telephone number 504-255-6000).

Is there a penalty for early withdrawal? Yes. If you separate before the year in which you reach age 55 and withdraw your account balance in a single payment or series of equal payments, you will be subject to a 10% penalty as well as income tax on all amounts you receive before age 59 1/2. However, if you separate during or after the year in which you reach age 55, you will only be subject to income tax and not the 10% penalty on the withdrawal. The Internal Revenue Service (IRS) requires employees to receive payments from their account by 1 Apr of the year following the one in which they become age 70 1/2.

What if I have an outstanding TSP loan? You must repay the loan in full, including interest, on the outstanding balance to the date of repayment. A delay in repaying your loan may affect the processing of your withdrawal. If you do not repay the loan within the required timeframe specified by TSP, a taxable distribution will be declared to the IRS in the amount of the unpaid loan balance and any unpaid interest. The distribution will be subject to income tax and a 10% penalty as described above.

How may I obtain information regarding the options available to me after I separate? Your local CPF will either provide you with the TSP Withdrawal Package or refer you to the TSP web site at <http://www.tsp.gov/forms>. The withdrawal package consists of the booklets “Withdrawing Your TSP Account After Leaving Federal Service” (TSPBK02) and “Thrift Savings Plan Annuities” (TSPBK05); forms TSP-70 (Withdrawal Request), TSP-70-T (Transfer Information), TSP-3 (Designation of Beneficiary), TSP-16 (Exception to Spousal Requirements), TSP-9 (Change of Address for Separated Participants); and the notice “Important Tax Information About Payments From Your TSP Account” (TSP-536).

RETIREMENT CONTRIBUTION REFUNDS

What happens to the retirement contributions I have paid into the retirement fund? You may leave the money in the retirement fund, or apply for a refund if you meet the following criteria: must be separated from Federal service for at least 31 consecutive days; must not be reemployed in a position subject to retirement deductions at the time of application; must not be eligible to receive an immediate retirement annuity within 31 days of separation; must not be prohibited from receiving a refund due to a court order; and must notify your current and/or former spouse(s) of the refund request, as applicable.

If I take a refund and later become reemployed, may I redeposit the amount refunded? If you are covered by the Civil Service Retirement System (CSRS), yes, you may redeposit the refund, with interest. However, if you are covered by the Federal Employees Retirement System (FERS), you may NOT make a redeposit, and the period of service covered by the refund will not be creditable towards retirement.

Under what circumstances is a refund not a good idea? A refund can be a significant disadvantage depending on your retirement system. For example, separating FERS employees who take a refund of retirement contributions are not eligible to redeposit the refunded contributions if they return to Federal employment. Thus, the refunded service will NOT count towards retirement eligibility or computation of annuity. For additional information on the advantages and disadvantages of retirement contribution refunds, and for procedural guidance, please review our document “Refund Fact Sheet” on our web site at <http://www.afpc.randolph.af.mil/dpc/BEST/retirements.htm>. Click on CSRS or FERS, depending on your retirement system, then on the document. The document is also available before you separate by calling the BEST phone system, entering the fax-back module, and requesting document number 2008 if you are CSRS, or number 2009 if you are FERS.

How do I apply for a refund? You may apply for a refund by completing the applicable retirement refund application (FERS: SF 3106 and SF 3106B, if applicable; CSRS: SF 2802 and SF 2802B, if applicable).

Send the completed form to BEST at the address below **if** you complete it before you have been separated 30 days; otherwise, send it directly to the Office of Personnel Management at the address on the form.

Where do I obtain the refund form? Refund forms are available from the OPM web site or by calling BEST. To obtain via the web, go to <http://www.opm.gov/forms/html/sf.htm>. Scroll down until you find the SF 2802 or SF 3106, whichever is applicable. Before separation, you may call the BEST phone line at 1-800-997-2378 (or commercial 527-2378 within the San Antonio, Texas area), enter the retirement module, and press "0" to transfer to a counselor. *After* separation, you may contact BEST at 1-800-540-4047.

ADDITIONAL GUIDANCE AND ASSISTANCE

For additional information, please click on "*Separating Employees*" on the BEST homepage. There you will find articles such as "Retirement Deductions Fact Sheet," "Temporary Continuation of Health Benefits Coverage," "Termination, Extension, and Conversion of Your Life Insurance Coverage," "Withdrawing Your TSP," and much more.

If you need assistance, you may speak with a benefits counselor, before separation, by calling 1-800-997-2378 (commercial 527-2378 if calling within the San Antonio, Texas area), and pressing "0" within any of the benefits program areas to transfer to a counselor. *After* separation, you may speak with a counselor by calling 1-800-540-4047 (or commercial 527-2399 within San Antonio). Overseas employees should contact their Civilian Personnel Flight to obtain the toll-free direct access telephone number for the country they are calling from.

Hearing impaired employees may reach a counselor by calling our TDD toll-free number, 1-800-382-0893 (or commercial 565-2276 within San Antonio), or if overseas, a toll-free direct access TDD number, available from the CPF.

Benefits counselors are available Monday - Friday, 7 a.m. - 6 p.m. Central Standard Time (CST).

HQ AFPC/DPCMB
550 C Street West Ste 57
Randolph AFB TX 78150-4759

BEST Phone Line: 1-800-997-2378
Local: (Commercial) 527-2378
Overseas: Dial a Toll-Free Direct Access Number (obtain from CPF)

Toll-Free TDD Number: 1-800-382-0893
Local: (Commercial) 565-2276
Overseas: Dial a Toll-Free Direct Access TDD Number (obtain from CPF)

BEST Fax Number: DSN 665-2936 or (210) 565-2936

BEST Homepage: <http://www.afpc.randolph.af.mil/dpc/BEST/menu.htm>
OPM Web Site: <http://www.opm.gov>
TSP Web Site: <http://www.tsp.gov>

Office of Federal Employees' Group Life Insurance (OFEGLI)
P. O. Box 2627
Jersey City NJ 07303-2627